## CITY OF REDMOND RESOLUTION NO. 1435 (SUB)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, OPPOSING INITIATIVE 1366 (I-1366): CONCERNS STATE TAXES AND FEES

WHEREAS, Initiative Measure 1366 (I-1366) will be presented to the voters of the State of Washington at the general election on November 3, 2015; and

WHEREAS, I-1366 would decrease the state sales tax rate from 6.5 percent to 5.5 percent unless the Washington State Legislature refers to voters a constitutional amendment requiring two-thirds legislative approval or voter approval to raise taxes, and legislative approval for fee increases; and

WHEREAS, if the Legislature does not refer a constitutional amendment to voters for the November 2016 general election prior to April 15, 2016, the state sales tax rate would be reduced by one percent on April 15, 2016; and

WHEREAS, the fiscal impact statement for I-1366 prepared by the Washington State Office of Financial Management indicates a one percent sales tax reduction would decrease state revenue by nearly \$8 billion over a six-year period; and

WHEREAS, such a loss of sales tax revenue would significantly impact the state budget and the provision of vital public services throughout the state, including K-12 and higher

education, public safety, mental health, social, environmental, and other health services; and

WHEREAS, the state legislature has been mandated by the State Supreme Court to allocate significant additional revenue for K-12 education; and

WHEREAS, significantly less state revenue would be available for K-12 education and other vital public services; and

WHEREAS, the state provides revenue, known as "state-shared" revenue to local jurisdictions to fund local services; and

WHEREAS, the City of Redmond receives approximately \$600,000 per year, as well as program grants and funding for capital improvements from the state; and

WHEREAS, revenue received by the City of Redmond from the state could be in jeopardy if this initiative is approved.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. The Redmond City Council opposes I-1366 concerning state taxes and fees.

 $\underline{\text{Section 2}}$ . The Redmond City Council encourages Redmond voters to fully understand the implications of I-1366 for our community.

ADOPTED by the Redmond City Council this 27th day of October, 2015.

APPROVED:

ATTEST:

MICHELLE M. HART, MMC, CITY CLERK

FILED WITH THE CITY CLERK:

MOTION TO POSTPONE:

MOTION TO AMEND BY SUBSTITUTE:

SUBSTITUTE PASSED BY THE CITY COUNCIL: October 27, 2015

RESOLUTION NO: 1435 (SUB)

October 6, 2015

October 20, 2015

October 27, 2015

YES: Allen, Flynn, Margeson, Shutz, Stilin

NO: Carson, Myers